

APRIL CONTRACT AMENDMENTS

Over the last few months, staff have worked with our advisory groups to design a process through which contracts can be amended. Currently, staff have been delegated the authority to approve time extensions up to six months or changes in scopes of services which do not significantly alter the final outcome of the project. For projects in which the applicant requests a time extension from six to twelve months or a budget increase of up to 30% of the contract amount, staff are to ask for input from the Ecosystem Roundtable and for approval from Management Team. Finally, for projects in which the scope may change significantly, the time is increased over one year, or the budget is increased over 30%, an amendment is not approved until the Roundtable provides input and both Management Team and Policy Group approve the request. (Staff are working on a method to simplify the amendment process; we hope to bring this before Management Team at the May meeting).

Listed below are two proposals for which the applicants are requesting significant changes. Although neither project proponent has signed a contract yet, the requested changes are such that staff are moving the projects through the amendment process. On April 10th, the Ecosystem Roundtable recommended approval of both of these changes.

1. Saeltzer Dam Fish Passage Project

Issue: In December 1997, the Townsend Flat Water Ditch Company was awarded \$238,200 to complete the design and environmental permitting phases of work for a fish passage project on Clear Creek. The Metropolitan Water District, on behalf of the California Urban Water Agencies, is currently working with the applicant to finalize the scope of work. CALFED staff have been notified that the applicant wishes to significantly revise the scope of the project.

The original proposal was to remove Saeltzer Dam and replace it with a low-height diversion dam. The revised scope is to remove Saeltzer Dam and replace it with a "fish friendly" side channel diversion structure located approximately 4,000 feet upstream of the former dam, thus returning Clear Creek to its former condition. This new scope includes a fish screen which will meet steelhead criteria and a 4,000 foot buried concrete diversion pipe with headworks and a bypass channel. These changes have been approved by the local Technical Advisory Committee (which includes representatives of DWR, DFG, and USBR), and is considered to provide superior environmental benefits as compared to the original scope of the project.

Staff recommendation: Staff recommends that the scope be modified as described above. The Ecosystem Roundtable has reviewed the staff recommendation and concurs.

2. Twitchell Island Subsidence Evaluation and Demonstration Project

Issue: In response to the 1997 Request for Proposals, DWR submitted a proposal for \$13 million to complete subsidence research on Twitchell Island, design and construct large restoration projects, and acquire Bradford Island. The Integration Panel was interested in funding the subsidence research and some of the restoration tasks, but did not want to fund the entire project. The proposal's budget did not contain sufficient detail to determine the exact amount of funding needed for the tasks recommended for approval. As part of the January 1998 proposal selection

and approval process, the DWR proposal was approved by the Policy Group at a level of \$3,000,000, contingent upon receiving an acceptable revised workplan which identified costs for the tasks.

The applicant has revised the scope of work and asked that the project be funded at \$3,993,000. Staff brought the revised scope to the Integration Panel, who have recommended that the two longer-term planning actions be deleted, and the project funded at \$3,583,000. These additional funds will be taken from the Proposition 204 contingency fund.

Recommendation: Staff recommend that DWR's Twitchell Island proposal be funded at \$3,583,000. The Integration Panel and the Ecosystem Roundtable have reviewed this recommendation and concur.

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